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§16–112.

A life insurer may not deliver in the State, as part of or in combination with an insurance, endowment, or annuity contract, and additional to the rights, dividends, and benefits arising out of the contract, an agreement or plan that:

(1) provides for the accumulation of profits over a period of years and for payment of all or part of the accumulated profits only to members or policyholders of a designated group or class who continue as members or policyholders until the end of a specified period of years;

(2) provides that, on the death of anyone other than a beneficiary or an insured under the contract, the owner or beneficiary of the contract shall receive the payment or granting of anything of value;

(3) provides that all or part of the premiums or consideration for the contract, dividends, coupons, reserves, special reserves, excess interest, or money in excess of the normal reserve required to meet the contractual guarantees of the contract are to be placed or invested in special funds or segregated accounts without insurance or life contingency features, if the funds or earnings are divided among those taking the contract or their beneficiaries or assignees; or

(4) as an inducement to or in connection with the sale or acceptance of the contract, provides for:

(i) the sale, solicitation, or delivery of stock or shares of stock in a company;

(ii) a benefit certificate, securities, or special advisory board contract, or other similar contracts or resolutions; or

(iii) policy dividends bearing a stated relationship to dividends on the stock of a company.

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